

Article - Public Safety

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§14–213.

(a) (1) For nonpayment of an installment due under a contract for the purchase of real or personal property or a contract of lease or bailment with the option to purchase the property, a person or the person's assignee may not exercise a right or option under the contract to rescind or terminate the contract or resume possession of the property if:

(i) the person or the person's assignee received under the contract a deposit or installment of the purchase price of the property from another person or the assignee of that person who, after making the deposit or installment, became a person in emergency management service or person suffering injury or damage; and

(ii) the attempt to exercise the right or option under the contract occurred while the person who made the deposit or installment was a person in emergency management service or person suffering injury or damage.

(2) Paragraph (1) of this subsection does not apply if a court allows the person or the person's assignee to exercise the right or option under the contract.

(3) This subsection does not prevent the parties to a contract or their assignees from mutually agreeing in an executed writing, after the making of the contract and during or after the period that a party to the contract is a person in emergency management service, to:

(i) modify, terminate, or cancel the contract; or

(ii) repossess or retain the property purchased or received by that party under the contract.

(b) (1) After a hearing on the action:

(i) the court may order the repayment of all or part of any prior installment or deposit as a condition of terminating the contract and resuming possession of the property;

(ii) 1. on its own initiative the court may stay the action;
and

2. except as provided in § 14-215 of this subtitle, on motion by a person in emergency management service, person suffering injury or damage, or another person acting on behalf of that person, the court shall stay the action; or

(iii) the court may otherwise dispose of the case as it considers equitable to preserve the interests of the parties.

(2) The court need not stay the action if the court finds that the ability of the defendant to comply with the terms of the contract was not materially affected because the defendant was a person in emergency management service or person suffering injury or damage.

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